

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
LEVEE ROAD WATER ASSOCIATION)	2015-00345

ORDER

On October 21, 2015, Levee Road Water Association (“Levee Road”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹ The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Levee Road purchases water from the Mt. Sterling Water & Sewer System (“Mt. Sterling”).

2. Mt. Sterling notified Levee Road that effective August 1, 2015, Mt. Sterling would increase its wholesale rate to Levee Road from \$2.77 per 1,000 gallons to \$2.85 per 1,000 gallons.² Levee Road proposed to increase the water rates to its customers effective October 1, 2015, to reflect the increased cost of purchased water.

3. Levee Road proposed a purchased water adjustment factor of \$0.09 per 1,000 gallons.

4. During the 12 months ended May 31, 2015, Levee Road purchased 49,009,899 gallons of water from Mt. Sterling and sold 45,371,670 gallons. The increase in the cost of purchased water is \$3,920.79, resulting in a purchased water adjustment factor of \$0.09 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00383 (Ky. PSC filed June 22, 2015); The tariff was accepted for filing by the Commission by letter dated July 31, 2015.

5. The purchased water adjustment factor of \$0.09 per 1,000 gallons, as calculated in Appendix A to this Order and requested by Levee Road, is fair, just, and reasonable and should be approved.

6. Levee Road's proposed rates should be approved.

7. The rates as set forth in Appendix B to this Order, are fair, just and reasonable and should be approved for water service rendered on and after October 1, 2015.

IT IS THEREFORE ORDERED that:

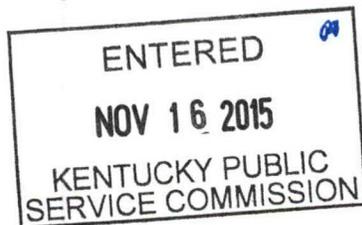
1. The purchased water adjustment factor of \$0.09 per 1,000 gallons is approved.

2. Levee Road's proposed rates are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by Levee Road on and after October 1, 2015.

4. Within 20 days of the date of this Order, Levee Road shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00345 DATED **NOV 16 2015**

	New Rate	Base Rate
Montgomery County Purchases in gallons		
Mt. Sterling	49,009,899	49,009,899
Volumetric rate	<u>\$ 2.85/1,000</u>	<u>\$ 2.77/1,000</u>
	\$ 139,678.21	\$135,757.42
Increased water cost		\$3,920.79
Increased water cost		\$ 3,920.79
Divided by gallons sold/1,000		<u>45,371,670</u>
Purchased water adjustment factor		\$ 0.0864 per 1,000 gallons
		or \$ 0.09 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00345 DATED **NOV 16 2015**

The following rates and charges are prescribed for the customers in the area served by Levee Road Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	1,000 gallons	\$11.04 Minimum Bill
Next	2,000 gallons	4.64 per 1,000 gallons
Next	3,000 gallons	3.94 per 1,000 gallons
Next	19,000 gallons	3.19 per 1,000 gallons
Next	25,000 gallons	2.84 per 1,000 gallons
Over	50,000 gallons	2.54 per 1,000 gallons
Commercial Hauler		4.92 per 1,000 gallons
Private Loading Units		4.92 per 1,000 gallons
Water Coin Vendors		5.42 per 1,000 gallons

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